



INDIANA DEPARTMENT OF TRANSPORTATION

Driving Indiana's Economic Growth

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Mitchell E. Daniels, Jr., Governor
Michael W. Reed, Commissioner

November 24, 2009

Subject: Airport Capital Improvement Program (CIP) for Years 2011 Through 2015

Dear Airport Sponsor:

The Indiana Department of Transportation Office of Aviation is responsible for administering the state funds available for airport development. We program the expenditure of these funds through the use of a statewide Airport Capital Improvement Program (CIP). The CIP is a multi-year document that is updated annually and includes planning, equipment and airport development projects for airports within the Indiana State Aviation System Plan. It is time again to update the CIP. We are soliciting project requests for the next **five (5) year period, 2011 through 2015.**

The three types of funding for projects, when funding is available, are as follows:

Type I – Federal Matching Projects: As in the past, a portion of state funds will match expected federal funds for primary, reliever, commercial service and general aviation category airports. It is expected that Federal funds will provide for up to 95 percent of a project's cost in 2011-2015. In the past the state has normally split the remaining share with the local sponsor. **However, due to fiscal constraints it is expected that for federal FY 2010 and 2011 the state will only contribute one quarter of the remaining share or 1.25% of the project's cost. For planning purposes we are assuming effective 2012 the state would return to splitting the remaining share or 2.5% of the project's cost with the local sponsor.** Please designate and label which projects are to be considered for this particular type of FAA funding, and provide the specific year and estimated amount. If a sponsor receives State Apportionment or Federal Discretionary funds for any project, Non-Primary Entitlement funds for that airport may be applied to that project.

Additionally, certain revenue-generating projects (fuel farms and hangars) are now included in the list of eligible projects that may be requested, if an airport can show that they have first met all of their other aeronautical needs. Because of the restrictions placed on eligibility of these revenue-generating projects, it is suggested that you list an alternative project for every revenue-generating project you request to take its place if not approved. **Also, there are certain documents that need to be submitted to the FAA and State before the project's eligibility for AIP funding can be approved. The Revenue-Generating Facility Eligibility Evaluation Form and instructions may be found at the website referenced below.**

Type 2 – State/Local Match Projects: In addition to matching federal funds, we are accepting requests for State/Local program projects. In the current biennium, no appropriation was made to this fund for non-specified projects. However, we will be recording these requests so that we can accurately document the needs of Indiana's Airports. **It is essential that you document your airport's needs for inclusion in this program in the event that funding again becomes available. Otherwise you may lose out on development opportunities for your airport.**

Type 3 – Aviation Loan Fund Projects: We are not soliciting requests for projects under this program at this time.

As you prepare your updated CIP submittal there are several things you should keep in mind:

1. The FAA has published a “**Regional Guidance Letter – Airports Division,**” Order No. 5100.20 to supplement and clarify the ACIP process. The requirements in this memorandum are **mandatory** and a copy of Order No. 5100.20 dated December 12, 2007 is on our website for your information and use. **Attachment A** to this order titled “**General Milestones for Proposed AIP Projects**” lists the process for scheduling project milestones. Included in this policy are basic objectives to complete the environmental review at least 12 months prior to beginning construction, and to complete engineering design approximately three to six months prior to construction.
2. Your requests for projects should outline individual work elements, associated costs, the year requested and the justification of need. Substantial cost increases/decreases over previous years, if any, should be explained.
3. Separate environmental assessments and land acquisition from construction projects.
4. A single airport project composed of several elements should be broken into separate projects if they can be constructed/completed without affecting the other components. For example, a runway extension project should list the following items separately: new navigation aids, replacement of the runway lighting system, perimeter fencing, etc.
5. To better accommodate programming and facilitate funding, large projects should be broken into phases with associated costs for each phase shown for phasing purposes. However, projects over \$2 million must be phased for programming over several years.

Please use the “CIP Data Sheet” and instructions referenced below to submit your project requests for the next five (5) years. Projects should be listed by funding year, in priority order and broken down into elements as requested above. A total of **Three (3) complete sets** of your entire submission will be required, which includes:

1. **Narrative Cover Letter** on airport letterhead with projects listed in priority order by funding type and year on the front page, followed by a summary by year of planned project activity and appropriate justification.
2. **CIP Data Sheets** fully completed for each project in 2011 dollars.
3. **CIP Priority and Funding Summary**.
4. **Total Cost Breakdown** by major element for each project with total for each year, including costs for engineering fees, project inspection, environmental and etc.
5. **Color Sketches** of projects on an 11” x17” size copy of the ALP with projects color coded by year requested.
6. **Other Support Information** as needed, such as completed Revenue-Generating Facility Eligibility Evaluation Form when applicable.
7. Each of the three (3) submittal sets punched for a 3 ring binder.

Once the Office of Aviation, in conjunction with the FAA, has reviewed the requests, a tentative priority list of projects will be determined. From this list, additional meetings may be held or additional information may be requested to fine tune requests that will be included in the Statewide CIP.

The deadline for submittal is **Monday February 1, 2010**. This time frame is needed in order to coordinate our schedule with the FAA’s schedule. If you should have any questions or comments, please contact me at (317) 232-1492.

Sincerely,

Nick McClain P.E.
Chief Airport Engineer, Office of Aviation

Reference: All of the following items referenced above may be found on the Indiana Government website at <http://www.in.gov/indot/2372.htm> under **Aviation** in **CIP Update Forms and Instructions for the period 20011-2015**.

- CIP Data Sheet and Instructions
- CIP Priority & Funding Summary
- Revenue-Generating Facility Eligibility Evaluation Form
- Regional Guidance Letter - Airports Division, Number 5100.20 dated December 12, 2007 with Attachment A titled General Milestones for Proposed AIP Projects

cc: FAA
Airport Consultants